GOVERNMENT OF INDIA
COAL AND MINES
LOK SABHA

UNSTARRED QUESTION NO:3336
ANSWERED ON:06.08.2002
PROFIT LOSS TO BCCL
SUBODH ROY

Will the Minister of COAL AND MINES be pleased to state:

(a) whether the BCCL has suffered a loss of crores of rupees during the year 2000-2001;

(b) if so, the reasons therefor; (

(c) whether the BCCL has also earned profit of crores of rupees during the year 2001-2002;

(d) if so, whether the Government have conducted any study with regard to unexpected profits earned by the company;

(e) if so, whether the Government propose to further encourage factors responsible for remarkable profits and development in the coal sector; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES AND MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI RAVI SHANKAR PRASAD)

(a) & (b) : BCCL suffered a loss of Rs. 1276.70 crore during the year 2000-01. The major reasons for losses are as follows :-

i) Adverse geo-mining conditions like steeply inclined seam, thick seam, multi-seam situation, presence of important surface features/ densely populated areas etc. Un- scientific mining in the past had also created problems of water-logging of upper seams, extensive fires, unstable conditions etc. requiring adoption of stowing thereby increasing the cost of operation.

ii) Existence of large number of small inherited underground mines having extensive workings with low production and productivity which are not amenable for significant increase in productivity.

iii) Low productivity of underground mines as compared to successive wage increase and also provision of arrears of wage increase in the books of the company during 2000-01.

iv) Problems of land acquisition and rehabilitation affecting production of some large mines etc.

(c) : BCCL has notearned any profit during the year 2001-02. The provisional loss incurred by the company during the year 2001-02 is Rs. 780 crore.

(d) to (f) ; Do not arise in view of answer given to part (c) of the question above.